

TRANSPORT EXECUTIVE BOARD

Date: Thursday 24 August 2017

Venue: Sheffield Town Hall

Time: 2.00 pm

AGENDA

Item	Subject	Method	Lead	Page
<u>Introduction</u>				
1	Welcome and Apologies	Verbal	Chair	
2	Minutes and Actions of the Previous Meeting	Paper	Chair	1 - 8
3	Declarations of Interest	Verbal	All	
4	Urgent Items/Announcements	Verbal	All	
<u>Discussion Items</u>				
5	SCR Transport Strategy	Presentation / Paper	Mark Lynam / ARUP	9 - 24
6	HS2 Growth Strategy	Paper	Lyndsey Whitaker	25 - 38
7	HS2 Parkway Update	Verbal	Mark Lynam	
8	Midland Main Line Electrification	Paper	Mark Lynam	39 - 50
<u>Actions and Forward Planning</u>				
9	Agree Actions	Verbal	Chair	
10	Any Other Business	Verbal	All	

DATE OF NEXT MEETING - 9th November 2017

Item	Subject	Method	Lead	Page
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SCR TRANSPORT EXECUTIVE BOARD

6th APRIL 2017

SHEFFIELD TOWN HALL

No.	Item	Action
1	<p><u>Welcome and Apologies</u></p> <p>Present:</p> <p><u>Board Members</u> Cllr Julie Dore (SCC) - CHAIR Martin McKervey (Nabarro / LEP)</p> <p><u>In Attendance / Advisory Members</u> Paul Woodcock (RMBC) Matt Gladstone (BMBC) Peter Dale (DMBC) Tom Finnegan-Smith (SCC) Steve Edwards (SYPT) Mark Lynam (SCR Exec Team) Mel Dei Rossi (SCR Exec Team) – for item 1 Phil White (ARUP) – for item 6 John O Grady (Northern Rail) – for item 7 Craig Tyler (Joint Authorities Governance Unit)</p> <p>Apologies were received from Board Members Cllr John Burrows (CBC), Diana Terris (BMBC), Neil Taylor (BaDC) and Simon Carr (Henry Boot / LEP) + Damien Wilson (RMBC), Katie Jackson (SCC / SCR Exec Team) and Mike Ashworth (DCC)</p>	
2	<p><u>Minutes of the Previous Meeting</u></p> <p>The minutes of the previous meeting held on 23rd February were agreed to be an accurate record.</p> <p>The following matter was noted as arising:</p> <p><u>7. Modelling Tools</u> In response to questions raised at previous meetings, the Board was informed that the principles of modelling, including usage proportionality are contained within the revised SCR</p>	

	<p>Single Pot Assurance framework (SAF). It was noted the SAF confirms that where a scheme comes forward, early engagement with scheme promoters will be undertaken to determine agreement on what appraisal / modelling will be required to ensure the scheme meets the requirements of the assurance process and also avoid any unnecessary or abortive modelling work being undertaken.</p> <p>It was noted the SAF captures all DCLG pre-requisites for a scheme to progress and DfT's requirement for proportional WebTag compliance.</p> <p>It was noted that are mandated minimum requirements for all transport schemes with a cost to the public purse in excess of £5m to use WebTag compliant model.</p> <p>It was confirmed that procurement of consultancy support to build the model went through a full OJEU process.</p>	
3	<p><u>Declarations of Interest</u></p> <p>No declarations noted.</p>	
4	<p><u>Urgent Items / Announcements</u></p> <p>None requested.</p>	
5	<p><u>HS2 Update</u></p> <p>A report was received to provide an update on recent work in relation to HS2 matters and report on the current position of the project at a national and regional level.</p> <p>The report also summarised the contents of the SCR's HS2 Phase 2b Route Refinement Consultation response (to be submitted but caveated to note this remains under review until the final preferred route has been announced) and updated TEB on the other HS2 work streams, including the Growth Strategy, Benefits Realisation, Mitigation Study, Parkway and Connectivity Study. It also provided an update on timescales and governance.</p> <p>Regarding Parkway station locations, it was noted the short list has been shorted to 4 potential sites. This will be reduced by HS2 Ltd to 2 potential sites in due course.</p> <p>The Board acknowledged the SCR's commitment to realising a Parkway station in the region and reasons why a collective position on a preferred location can't be determined until the route has been finalised. It was noted officers are working with</p>	

	<p>HS2 Ltd to ensure the evidence base used to inform the final decision is appropriately robust.</p> <p>It was noted the HS2 Programme Board will continue to meet monthly during the year to oversee the various HS2 work streams and receive updates from HS2 Ltd. This Board will continue to report to TEB on matters of strategic significance. In addition, a Growth Strategy Task and Finish Group has been established to oversee the work of the Growth Strategy.</p> <p>It was noted that once the Secretary of State has announced the final route (expected July 2017) there will be the need to review governance structures to ensure the SCR remains best placed to secure the maximum benefits from HS2.</p> <p>RESOLVED, that the Board</p> <ol style="list-style-type: none"> 1. Notes the continuation of the HS2 work programme as set out in the report 2. Notes the requirement to revise governance arrangements once the final route is announced 3. Agrees the need to ‘get behind’ HS2’s preferred parkway station location. 	
6	<p><u>Transport Strategy Progress Update</u></p> <p>The Board was provided with an update on work underway to refresh the Transport Strategy and draft the accompanying Prospectus.</p> <p>Members were reminded of the main aims and ambitions of the work, also the requirement to align this to the refreshing of the SCR SEP and accord with / inform TfN’s forthcoming Strategic Transport Plan.</p> <p>It was reiterated the Transport Strategy will be ‘owned’ by TEB (or its Transport Delivery Board descendant (TDB)).</p> <p>Regarding timelines, it was noted public consultation is still scheduled for August – October and the final strategy will be published by the end of 2017.</p> <p>Further information was provided in respect of what main themes / headline schemes will be addressed under the 3 distinct layers of the strategy (national (HS2, ECML, MML, HE), pan-northern(NPH, TfN) and SCR)</p>	

	<p>It was suggested the Prospectus needs to reference ambitions for a realignment of the ECML (linked to DSA rail station ambitions)</p> <p>Action: Mark / Phil to look at reference to ECML realignment ambition</p> <p>Regarding the pan-northern section, it was suggested a means is required to highlight the importance of the Sheffield-Leeds corridor</p> <p>Action: Mark / Phil to consider an appropriate means of diagrammatically referencing the Sheffield-Leeds corridor in the pan-northern section of the Prospectus.</p> <p>Headline SCR matters under consideration were noted as; the top 20 delay corridors, Aero Centre surface access, AMID access, Mass transit enhancements, strategic road connectivity, smart mobility, bus networks and sustainable transport.</p> <p>It was noted the next stage of the development of the Strategy and Prospectus will start to look at the 'detail' And develop closer links between headlines schemes / themes and SCR policies and ambitions. This will develop the 'this is what we want and why we want it' narrative on which negotiations with pan-regional and national partner agencies will be based.</p> <p>It was agreed this narrative will need to reference the intrinsic relationship between transport and the economy.</p> <p>It was suggested the Strategy and Prospectus need to be mindful of who the intended audience is, and drafted accordingly.</p> <p>It was suggested that whilst the intended timelines appear achievable, we can't lose sight of TfN's STP development timelines and be ready to respond / input when required</p>	<p>ML / PWh</p> <p>ML / PWh</p>
7	<p><u>Northern Rail Plans for Modernisation</u></p> <p>The Board welcomed John O'Grady from Northern Rail who delivered a presentation on a number of matters of pertinent interest to the Sheffield City Region.</p>	
8	<p><u>Update on Transport for the North – Strategic Transport Plan</u></p> <p>A report was received to provide the Board with a progress update on the recent development of the pan-Northern</p>	

	<p>Transport Strategy by Transport for the North and its partners and the proposed next steps in developing an agreed suite of interventions that will support pan-Northern economic growth.</p> <p>It was noted TfN have produced an initial draft report of the road element of the STP, the Major Roads Report (agreed by their Partnership Board on 17th March 2017) that forms the basis of initial partner consultation and an initial draft of the rail element, the Integrated Rail Report will follow shortly. However, it was noted these reports do not describe detailed schemes but form the basis of future discussions up to Autumn 2017 around prioritisation and sequencing.</p> <p>Members were advised the reports have been developed in conjunction with the full range of TfN partners, including Highways England, Network Rail, as well as review and comment being invited from SCR's constituent Local Authority partners.</p> <p>The report provided key milestone dates to July 2018.</p> <p>The Board was advised that TfN's Statutory Transport Body status was confirmed in principle by DfT on 17th March (including expressed support for TfN's desire for the ownership of Rail North to be transferred once it achieves full statutory status). Consultation with constituent authorities will now take place ahead of September 2017 by when TfN will collect all Constituent Authority consents/approvals before submitting a final response to Secretary of State</p> <p>The report noted the establishment of TfN becoming England's first Sub-national Transport Body will allow TfN to 'speak with one voice' on behalf of the North on transport, ensure the North's priorities are clearly understood by Government, help to add almost £97bn and 850,000 jobs to the economy by 2050 (Northern Powerhouse Independent Economic review), identify the best ways to improve pan-Northern transport connectivity, making commuting across the North a better experience for passengers and transport users and deliver Smart Travel across the North, making it easier for people to get from A to B throughout the region.</p> <p>The Board was also advised of a meeting held on 22nd March to map out options for the trans-Pennine axes that the West Yorkshire, South Yorkshire and Greater Manchester City Regions could jointly propose to TfN for inclusion in the upcoming Rail North sifting and prioritisation work. An explanation of the SCR's preferred option (the horizontal 'Y') was provided.</p>	
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	<p>It was agreed all relevant information needs to be captured in the refreshed Transport Strategy and Prospectus.</p> <p>It was noted some additional work is needed from TfN to look at the HS2 loop north of Sheffield and how this impacts on the rest of the local rail network.</p> <p>It was noted John Cridland is attending the next LEP Board meeting on 24th April and agreed this would be an ideal opportunity to raise any TfN related matters or concerns.</p> <p>Action: Mark / Suzannah to ensure members are appropriately briefed ahead of the LEP Board meeting on TfN matters.</p> <p>The Board noted and discussed additional scoping work being undertaken in respect of how other cities accord with TfN's STP plans and agreed the SCR needs to be appropriately capable of lobbying strongly on matters of importance. It was confirmed the SCR Exec Team is currently looking into how we bolster the region's lobbying credentials. It was also noted there may be instances where collective lobbying with neighbouring City Regions would be appropriate.</p> <p>It was suggested it would be useful for David Brown (TfN CEX) to attend a TEB meeting and discuss matters of note informally is available.</p> <p>Action: Mark to invite David Brown to attend a future TEB meeting.</p> <p>RESOLVED, that the Board</p> <ol style="list-style-type: none"> 1. Notes progress to date 2. Notes the options for TfN to develop as part of Sequence 3 in order to support the Northern Powerhouse Rail Conditional Outputs across the Pennines. 	<p>ML / SR</p> <p>ML</p>
9	<p><u>Business Plan Dashboard Update</u></p> <p>The Board was provided with the updated Progress Tracker. It was noted this template will be kept up to date and reports will be presented at all future TEB meetings.</p> <p>In addition, a more comprehensive report will be prepared annually with a view to ensuring the TEB is fully engaged in discussions about future priority workstreams.</p>	

	RESOLVED, that the Board notes the contents of the Progress Tracker	
10	<u>Any Other Business</u> No further matters noted.	
11	<u>Date of Next Meeting</u> 18 th May, 2.00pm at Sheffield Town Hall (scheduled) Members were advised of the likelihood that the next round of Executive Board meetings would be replaced with cross-EB SEP refresh workshops.	

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TRANSPORT EXECUTIVE BOARD

24th August 2017

SCR Transport Strategy Refresh

Purpose of Report

To update the Transport Executive Board on the progress made in refreshing the Sheffield City Region Transport Strategy.

Thematic Priority

The Transport Strategy underpins all six thematic priorities of Sheffield City Region's Strategic Economic Plan (SEP) by creating the right conditions for economic growth, though it will principally deliver thematic priority 6: securing investment in infrastructure. Likewise, the Transport Strategy will support all five strategic priorities of Sheffield City Region's emerging Inclusive Industrial Strategy. Specifically, it will support delivery of a fully integrated multi-model public transport network.

Freedom of Information

The paper will be available under the Combined Authority Publication Scheme.

Recommendations

That the Transport Executive Board:

1. Approves the vision, goals and policies and identifies any further issues arising from the report.
2. Endorses the completion of a 12-week public consultation on the Draft Transport Strategy between 1 November 2017 and 17 January 2018.

1. Introduction

- 1.1** In January 2017 TEB approved the refresh of the SCR Transport Strategy. Arup were the appointed consultants and the initial piece of work was the compilation of the Evidence Base. This research was used to produce the SCR Transport Prospectus in May 2017; a short document outlining proposals for improving strategic transport infrastructure.
- 1.2** The Transport Act and Local Transport Act 2008 place a statutory obligation on the SCR Combined Authority to produce a Local Transport Plan. The Transport Strategy is the Local Transport Plan for the SCR.
- 1.3** A Working Group of local authorities, LEP representatives and key stakeholders was established earlier this year to steer development of the transport strategy.

- 1.4 This report provides an update to TEB members on the progress made in refreshing the Transport Strategy and the timeframe for completing the project.

2. Proposal and justification

- 2.1 The previous transport strategy was written before the Combined Authority and Transport for the North existed. It was focussed on delivering transport schemes. As a Combined Authority, SCR is required to commission projects through open and competitive tender to secure grant funding, and this demands a more outcome focussed strategy. The refreshed Transport Strategy will therefore represent an evolution from the previous iteration.

- 2.2 The Transport Strategy will comprise of an overarching vision, key goals and a set of policies that will determine the strategic transport priorities for the Sheffield City Region. Three productive and well-attended workshops were held with Working Group members to discuss and identify the vision, goals, policies and conditional outcomes.

- 2.3 Whilst work on drafting the Transport Strategy has run to schedule, the Working Group has requested that extra time is built into the schedule. This will ensure that partners and TEB have sufficient time to discuss and agree the vision, goals and policies before the consultation draft document is produced. This will be important in ensuring that the Strategy produced fully reflects the vision and ambitions of City Region partners.

- 2.4 The proposed vision for the refreshed SCR Transport Strategy is:

By 2040 we will be a forward-looking City Region with integrated transport connections that support economic growth and improve quality of life for all.

- 2.5 There are four recommended transport goals, each with three policies. These are:

- a) Support inclusive economic growth
 - Improve access to jobs, markets, skills and supply chains
 - Enhance productivity by making our transport system faster, more reliable and more resilient
 - Invest in integrated packages of infrastructure to unlock growth
- b) Create healthy streets where people feel safe
 - Make our streets healthy and people feel safe
 - Enhance our multi-modal transport system which encourages sustainable travel choices, particularly active travel
 - Improve sustainable and inclusive access to our green and recreational spaces
- c) Improve the quality of our outdoors
 - Actively improve air quality, especially in designated AQMAs
 - Deliver a low carbon transport network, including a zero carbon public transport network
 - Work in tandem with town planning to create attractive places
- d) Promote, enable and adopt different technologies
 - Be at the forefront of transport innovation
 - Enable different solutions to create a fully integrated transport service
 - Adopt technology solutions to stimulate change

- 2.6** The draft Transport Strategy will be presented to the TEB in October 2017 and then subject to the incorporation of comments, to the CA and LEP Boards on 30 October 2017 for sign-off ahead of the public consultation.
- 2.7** Pending any amendments requested by the CA and LEP Boards, the draft Transport Strategy will be published for public consultation on 1 November 2017. As a statutory document, it is recommended that the public consultation runs for 12 weeks. Responses to the consultation would therefore be required by 17 January 2018.
- 2.8** The refreshed transport strategy is scheduled for completion by 14 February 2018, with adoption by the SCR CA thereafter.

3. Consideration of alternative approaches

- 3.1** As work by the consultants has run on time, the project could have been completed by 31 December 2017 as originally scheduled. However, local authority partners are in the process of developing their local transport strategies and plans. Factoring in additional time before the consultation draft document is produced will ensure that local and city regional transport strategies are appropriately aligned.

4. Implications

4.1 Financial

The cost of producing the evidence base and drafting the Transport Strategy document was included in the SCR Executive's revenue budget for 2017/18. However, the cost of the public consultation was not included in the approved budget. The cost of this can be minimised through the use of online consultation tools such as downloadable documents and electronic surveys, and by presenting the draft strategy at meetings of business representative organisations and consumer groups.

4.2 Legal

As the Transport Strategy is a statutory document for the Combined Authority, an Integrated Assessment is being produced to ensure that the strategy is legally compliant. The Integrated Assessment considers the environmental, health and equalities impacts and sustainability. A separate Habitats Regulations Assessment is also being carried out.

4.3 Risk Management

The SCR Strategic Economic Plan (SEP) is also in the process of being refreshed. Whilst there was a risk that the refreshed SEP and refreshed Transport Strategy could be misaligned, this risk has been managed by SCR Executive Officers. The SCR Inclusive Industrial Strategy which supersedes the SEP, and the emerging Transport Strategy, are complementary.

4.4 Equality, Diversity and Social Inclusion

An Equalities Impact Assessment is being undertaken as part of the Integrated Assessment for the refreshed Transport Strategy.

5. Communications

- 5.1** It is a statutory requirement to consult on the Transport Strategy. The SCR Executive Team will organise and publicise a 12-week public consultation on the draft Strategy. The consultation period is scheduled to run from 1 November 2017 to 17 January 2018.

- 5.2** Local authorities, LEP representatives, the South Yorkshire Passenger Transport Executive (SYPT) and stakeholder partners including Network Rail and Highways England have contributed to the early development of the strategy through the workshops and Working Group.
- 5.3** Members of the public, including consumer groups such as Transport Focus and the Campaign for Better Transport will be invited to comment on the draft strategy during the public consultation. Consultation documents will be available online and in paper format on request.

6. Appendices/Annexes

- 6.1** SCR Transport Strategy Refresh – Developing the Draft Vision, Goals and Policies

REPORT AUTHOR	Lyndsey Whitaker
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Background papers used in the preparation of this report are available for inspection at:
11 Broad Street West, Sheffield S1 2BQ

Other sources and references:

TRANSPORT EXECUTIVE BOARD

24th August 2017

SCR Transport Strategy Refresh Appendix – Developing the Draft Vision, Goals and Policies





Workshop I: Key themes

Leadership

- Governance and commitment
- Long-term thinking / continuity / strategic planning
- Joined-up thinking and relationships
- Political fortitude and investment

Multidisciplinary planning

- Integration (modal, housing, industry)

Support economic growth (highest return)

- Right for whole of SCR
- Also future-proofed for environment, social

Innovation

- Ways of working / changing travel patterns
- Embracing new technologies
- Demand management

Intra- and inter-regional focus

3

ARUP

Workshop I: Key themes

Leadership

- Governance and commitment
- Long-term thinking / continuity / strategic planning
- Joined-up thinking and relationships
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Support economic growth (highest return)

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- Ways of working / changing travel patterns
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Intra- and inter-regional focus

3

SCR 2011 Transport Strategy Vision

“ “ *We want to see SCR offering people a great place in which to live, work, invest and visit.*

The vision also has a primary focus on the area's prosperity and growth, aspiring to make a greater contribution to the UK economy by having a local economy less dependent on the public sector, providing conditions for businesses to grow, and becoming the prime national centre for advanced manufacturing and low-carbon industries. To make SCR such a place, we need to keep people and goods moving effectively. ” ”

4

ARUP

Visions from elsewhere

“ “ *A thriving [region], where modern transport connections drive economic growth and support an excellent quality of life.*

” ”

5

ARUP

Visions from elsewhere

“ “ *World class connections that support long-term, sustainable economic growth and access to opportunity for all.*

” ”

6

SCR Industrial Strategy Draft Vision

“

By 2040 we will be a City Region with a strong inclusive economy, competing in national and global markets creating a place where our communities, people and business prosper, with a strong sense of civic and social responsibility.

”

7

ARUP

SCR Transport Strategy Refresh Draft Transport Vision

“

By 2040 we will be a City Region with a fully integrated multi-modal transport system that supports future-proofed economic growth through connectivity on all spatial scales.

”



8

ARUP

SCR Transport Strategy Refresh Draft Transport Vision

By integrated, we mean a transport system that is:

- integrated in terms of different modes and services
- coordinated as a package of infrastructure improvements
- delivered through effective partnership working and joined up thinking
- considered in a multi-disciplinary way

9

SCR Transport Strategy Refresh Draft Transport Vision

By multi-modal, we mean a transport system that:

- provides choice in different modes of travel
- is seamless, efficient and reliable
- provides a level of service that allows people to easily access opportunities
- puts customers first and is affordable
- is sustainable

10

ARUP

SCR Transport Strategy Refresh Draft Transport Vision

By supporting future-proofed economic growth, we mean:

- maintaining economic growth as a primary objective supported by improved connectivity and integrated infrastructure investment
- investment that is forward-looking and long-term
- ensuring that any growth protects our future environmentally, socially, economically and politically
- solutions that are open and embrative of innovation and technology

11

ARUP

SCR Transport Strategy Refresh Draft Transport Vision

By connectivity on all spatial scales, we mean:

- intra-regional connectivity that supports inclusive growth across the region
- enabling people to access opportunities
- unlocking our priority areas
- reducing loss in productivity related to travel delay
- enabling more people to travel between city regions to access jobs, particularly with Manchester and Leeds
- supporting agglomeration through improved access to markets and supply chains
- faster journey times to London
- enhancing the capacity and resilience of strategic routes
- more international connections for people and freight
- supporting the growth of Doncaster-Sheffield Airport

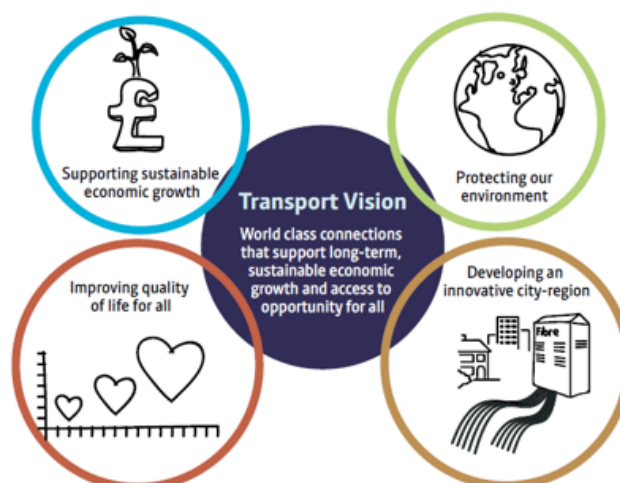
12



2011 Transport Strategy Goals



Goals from elsewhere: Manchester



Goals from elsewhere: London

Good growth

- good access to public transport
- high-density, mixed-use developments
- people choose to walk and cycle
- car-free and car-lite places
- inclusive, accessible design
- carbon-free travel
- efficient freight

Indicators of a healthy street environment



16

ARUP

Transport Strategy Refresh Draft Goals



17

Footer title

ARUP

2011 Transport Strategy Policies

To support economic growth			To enhance social justice and equality		
A	To improve surface access to international gateways	🚗	N	To develop user friendly public transport, covering all parts of SCR, with high quality of integration between different modes	🚗🚶🚲
B	To improve the reliability and resilience of the national road network using a range of management measures	🚗	O	To ensure public transport is accessible to all	🚗🚶
C	To promote efficient and sustainable means of freight distribution, while growing SCR's logistics sector	🚚	P	To work with operators to keep fares affordable, especially for travellers in need	🚗🚶
D	To improve rail services and access to stations, focusing on interventions that can be delivered in the short term	🚂	Q	To provide efficient and sustainable access to our green and recreational spaces, so that they can be enjoyed by all residents and attract tourism	🚗🚶🌳
E	To ensure SCR is served by High Speed Rail	🚂	To reduce emissions		
F	To improve connectivity between major settlements	🚗	R	To work to improve the efficiency of all vehicles and reduce their carbon emissions	🚗🚶
G	To deliver interventions required for development and regeneration	🚗	S	To encourage active travel and develop high-quality cycling and walking networks	🚗🚶🚲
H	To develop high-quality public places	🚗🚶	T	To provide information and travel advice for the users of all modes of transport, so that they can make informed travel choices	🚗🚶🚲
I	To focus new development along key public transport corridors and in places adjacent to existing shops and services	🚗🚶	U	To support the generation of energy from renewable sources, and use energy in a responsible way	🚗🚶
J	To apply parking policies to promote efficient car use, while remaining sensitive to the vulnerability of urban economies	🚗🚶	V	To improve air quality, especially in designated AQMA areas	🚗🚶
K	To develop public transport that connects people to jobs and training in both urban and rural areas	🚗🚶	To maximise safety		
L	To reduce the amount of productive time lost on the strategic road network and improve its resilience and reliability	🚗	W	To encourage safer road use and reduce casualties on our roads	🚗🚶
M	To ensure our networks are well-maintained	🚗	X	To work with the Police to enforce traffic laws	🚗🚶
			Y	To focus safety efforts on vulnerable groups	🚗🚶
			Z	To improve safety and the perception of safety on public transport	🚗🚶

Industrial Strategy Draft Transport-Related Ambitions

- improved multi-modal and affordable intra-regional connectivity between SCR's town and city centres, with a focus on connecting up spatial priority areas and assisting improvements in air quality
- higher commuter flows with other regional centres, in particular Manchester and Leeds
- improved productivity through faster journey times to London
- higher variety and frequency of affordable transport solutions linking SCR residents to key employment sites
- more international connections accessible for SCR residents and a growing Doncaster Sheffield Airport
- a recognition that in order to unlock growth within our spatial priority areas, this requires a coordinated package of infrastructure to be delivered rather than stand alone piecemeal interventions
- integrated development corridors that have the potential for enhanced levels of growth, which can be shaped around planned housing, transport or commercial investment

Transport Strategy Refresh Draft Policies



Support inclusive economic growth

- Improve inclusive access to jobs, markets and supply chains
- Enhance productivity by making our transport system more reliable and resilient
- Invest in integrated packages of infrastructure to unlock growth

21 Footer title

ARUP

Transport Strategy Refresh Draft Policies



Deliver healthy streets and travel choices

- Make our streets healthy streets in healthy neighbourhoods
- Develop a multi-modal transport system that gives people travel choices
- Provide efficient and sustainable access to our green and recreational spaces

22 Footer title

ARUP

Transport Strategy Refresh Draft Policies



Improve our built and natural environment

- Actively improve air quality, especially in designated AQMA areas
- Develop a low Carbon transport network, including a zero Carbon public transport network
- Work in tandem with city planning to create attractive places

23 Footer title

ARUP



- Support disruptive solutions to stimulate user focused competition
- Deliver a fully integrated transport service oriented around mobility as a service
- Be an incubator for transport innovations

Workshop III – Updated Goals and Policies



Transport Strategy Refresh Updated Vision and Goals



26 Footer title

ARUP

Transport Strategy Refresh Updated Policies



1. Improve inclusive access to jobs, markets, skills and supply chains
2. Enhance productivity by making our transport system faster, more reliable and more resilient
3. Invest in integrated packages of infrastructure to unlock growth

27 Footer title

ARUP

Transport Strategy Refresh Updated Policies



1. Make our streets healthy and people feel safe
2. Enhance our multi-modal transport system which encourages sustainable travel choices, particularly active travel
3. Improve sustainable and inclusive access to our green and recreational spaces

28 Footer title

ARUP

Transport Strategy Refresh Updated Policies



1. Actively improve air quality, especially in designated AQMAs
2. Deliver a low Carbon transport network, including a zero Carbon public transport network
3. Work in tandem with town planning to create attractive places

29 Footer title

ARUP

Transport Strategy Refresh Updated Policies



1. Be at the forefront of transport innovation
2. Enable different solutions to create a fully integrated transport service
3. Adopt technology solutions to stimulate change

30 Footer title

TRANSPORT EXECUTIVE BOARD

24th August 2017

HS2 – Update on Growth Strategy

Purpose of Report

This paper updates the Transport Executive Board on the progress made on producing the HS2 Growth Strategy for the Sheffield City Region.

Thematic Priority

The HS2 Growth Strategy will support delivery of thematic priority 6 of the SCR Strategic Economic Plan: securing investment in infrastructure.

Freedom of Information

The paper will be available under the Combined Authority Publication Scheme.

Recommendations

That the Transport Executive Board:

1. Identifies any issues arising from the report.
2. Agree to approve the Interim Report and Progress Report for DCLG by written procedures.

1. Introduction

- 1.1** In November 2016, the Sheffield City Region was awarded £1.25 million by the Department for Communities and Local Government (DCLG) to develop and implement a local HS2 Growth Strategy. The purpose of the strategy is to extract maximum economic benefit from HS2 during its construction and its operation.
- 1.2** The grant funding is being drawn down in two tranches of £625,000. The first tranche was received earlier this year to fund the development of SCR's HS2 Growth Strategy. The second tranche will fund the development of detailed station masterplans for Sheffield Midland and Chesterfield; the two SCR stations served by HS2, and the production of the Growth Strategy document. The funding for Tranche 2 will be released on the submission of two documents to DCLG. These documents are an Interim Report which will be a public document, and a confidential Progress Report. Both documents will be submitted to DCLG by 31 August 2017.
- 1.3** The Interim Report is a communication tool for publicising the opportunities and economic benefits of HS2 to residents and businesses in the SCR. It will explain the HS2 route

through the city region and will highlight the impact that HS2 will have on education and skills in the rail industry and its supply chain, and how it will create jobs and boost local procurement opportunities for small and medium sized businesses.

- 1.4 The Progress Report is an internal document for DCLG which explains the activities that have been funded with the first tranche of HS2 Growth funding. The report will also explain how the second tranche of funding will be utilised and the timeframe for developing the station masterplans and producing the Growth Strategy document.
- 1.5 This report provides an update to TEB members on the progress made in producing the SCR HS2 Growth Strategy.

2. Proposal and justification

- 2.1 The development of the SCR HS2 Growth Strategy is structured in two parts; Tranche 1 and Tranche 2. The work streams that need to be delivered under each tranche are outlined below:

a) Tranche 1: Maximising the Benefits of HS2 for Sheffield City Region

- Economic Evidence Base (May to August 2017)
- Mass Transit Study (September 2017 to February 2018)
- Concept Station Masterplans (June to August 2017)
- Business Support, Skills and Employment Package (October 2017 to January 2018)
- Communication and Engagement Plan (July 2017 onwards)
- Interim Progress Report (August 2017)

b) Tranche 2: Development and Investment Opportunities

- Detailed Station Masterplans (October 2017 to January 2018)
- Station Investment Strategy (October 2017 to January 2018)
- Implementation and Investment Plan (October 2017 to January 2018)
- Publication of SCR HS2 Growth Strategy (March 2018)

Although the Government announcement on the confirmed HS2 Route 2b through Sheffield City Region was delayed until 17 July, significant progress has been made on delivering the work streams under Tranche 1. Delivery of the work streams under Tranche 2 will commence once DCLG has released the second grant funding payment.

- 2.2 Deloitte were appointed in May 2017 to compile the economic Evidence Base. Deloitte have been supported by Metro Dynamics who have completed the Evidence Base for the refreshed Strategic Economic Plan. The Evidence Base assesses the opportunities and challenges that HS2 creates for the SCR. It considers existing and potential rail use, how HS2 fits with Northern Powerhouse Rail and how HS2 and Northern Powerhouse Rail will benefit businesses and residents in the city region.
- 2.3 Deloitte has produced a draft version of the Evidence Base report, and the final report is due by 18 August 2017. When completed, the evidence base will estimate the numbers and types of jobs that will be created to construct, operate and maintain the HS2 route through the SCR. It will also assess the benefits that HS2 could provide in terms of land value, procurement opportunities for businesses in the rail industry and its supply chain, and which geographical areas in the SCR will benefit most from HS2.
- 2.4 The Mass Transit Study was commissioned in July and work is expected to start in September and conclude in February. This work will result in a Strategic Outline Business Case being produced for a fully integrated and multi-mode public transport network for the city region. It will explain how HS2, other rail services, the supertram and bus network could connect together in order to move a large volume of people in a more efficient and

affordable way. It will highlight the improvements required and will explain the interplay between public transport and road, cycling and walking networks.

- 2.5** A vital component of the Mass Transit work is the inclusion of a parkway station on the HS2 Route 2b. This would greatly increase the proportion of SCR residents that had access to HS2 services. Without a parkway station, potential HS2 users in SCR would only be able to board and disembark at Chesterfield or Sheffield. However, a parkway station in the Dearne Valley would provide direct access to HS2 services to people residing in the Barnsley, Rotherham and Doncaster Boroughs.
- 2.6** Chesterfield Borough Council and Sheffield City Council have developed high-level masterplans on the changes needed at Chesterfield and Sheffield Midland railway stations to accommodate HS2 services. Chesterfield has also produced a concept masterplan for the HS2 depot at Staveley. Now that the HS2 Route 2b and 'northern loop' have been confirmed by Government, these will be further developed into more comprehensive masterplans as part of Tranche 2.
- 2.7** Work on developing a Business Support, Skills and Employment package has been delayed, partly because it is reliant on the completion of the Evidence Base. This work will identify the support that individuals and business need to take advantage of the procurement, skills and employment opportunities presented by HS2. This will go out to tender in September.
- 2.8** IPB Ltd was appointed in June to deliver the SCR's communication and engagement work on HS2. The initial piece of this work will be the production of the Interim Report to explain the opportunities and economic benefits of HS2 in simple terms to residents and businesses. Further detail on this and the wider PR campaign that IPB Ltd will deliver is provided in Section 5 of this report.
- 2.9** In addition to the Interim Report, a Progress Report will be submitted to DCLG on 31 August which explains the progress that has been made to date in developing the HS2 Growth Strategy and the next steps. These documents will trigger payment of the remaining grant and delivery of Tranche 2 work streams will commence. Both documents will be circulated to TEB members for approval by written procedures by 25 August.
- 2.10** Apart from the comprehensive station masterplans for Chesterfield and Sheffield Midland, the two big pieces of work under Tranche 2 are the Station Investment Strategy and the Implementation and Investment Plan. These will be produced in discussion with partners and stakeholders. The Station Investment Strategy will support the development of station land and infrastructure to accommodate HS2 services. The Implementation and Investment Plan will detail the interventions and projects that will be required to deliver the HS2 Growth Strategy, including capital investment in public transport service improvements and revenue investment in business support and skills development.
- 2.11** The SCR HS2 Growth Strategy document will summarise the work streams delivered through Tranche 1 and Tranche 2. This must be published by 31 March 2018.

3. Consideration of alternative approaches

- 3.1** Rather than produce the Station Investment Strategy and Implementation and Investment Plans with partners and stakeholders, an alternative approach would be to issue a call for ideas and projects to come from the open market. The timescale for producing the investment plans before the HS2 Growth Strategy is published is tight and would not easily accommodate a call. Also, the HS2 Growth Strategy will form part of the SCR Transport Strategy, SCR Inclusive Industrial Strategy and individual transport strategies of

local authorities. Developing the investment plans with partners ensures that appropriate and deliverable projects and interventions are identified and embedded in local and city regional strategies.

4. Implications

4.1 Financial

The cost of developing the HS2 Growth Strategy is wholly funded by the £1.25 million grant from DCLG. An initial payment of £625,000 has been received and the remaining payment of £625,000 is due to be released on the submission of the Interim Report and Progress Report on 31 August 2017.

4.2 Legal

SCR was obliged to submit a funding proposal to Government in February 2017 detailing how the £1.25 million HS2 Growth Strategy funding would be spent. To satisfy the terms and conditions of the fund, SCR must submit an Interim Report and Progress Report to DCLG by 31 August 2017. SCR is also required to publish the HS2 Growth Strategy by 31 March 2018.

4.3 Risk Management

Both the SCR Strategic Economic Plan (SEP) and Transport Strategy are currently being refreshed. There was a risk that the three strategies could be misaligned. This risk has been managed by SCR Executive Officers. The HS2 Growth Strategy will be integrated into the SCR Inclusive Industrial Strategy and the refreshed Transport Strategy as a key mechanism for delivering a fully integrated multi-model public transport network.

The evidence base has not yet been fully completed to the requirements of the tender. SCR Executive Officers are managing the work to ensure that the finalised evidence base report is a robust and quality document. The final report is expected to be completed by mid-August 2017.

4.4 Equality, Diversity and Social Inclusion

The individual work streams of the HS2 Growth Strategy will consider how HS2 can support social inclusion and community cohesion by increasing physical access to public transport and widening access to education, employment and recreational opportunities. Specifically, the Business Support, Skills and Employment package will consider interventions that provide skills programmes from NVQ Level 1 to NVQ Level 6 and entry level jobs up to highly-skilled engineers and technicians. Also, the shortlisted sites for the Parkway Station as part of the Mass Transit network have been selected as they are in deprived areas and locations that are not well served by rail.

5. Communications

5.1 A HS2 Project Board and HS2 Task and Finish Group were set-up to advise and steer development of the HS2 Growth Strategy. DCLG, the Department of Transport and HS2 Ltd have attended meetings alongside local authority partners, the South Yorkshire Passenger Transport Executive (SYPTe) and Network Rail. The two groups have facilitated the flow of communication to stakeholders and partners.

5.2 The Interim Report is an external document that is targeted at members of the public, including residents and businesses. The report will be available in online and printed formats. Local press coverage on HS2 has largely focused on the negative impacts on the proposed route. Now that the HS2 route has been finalised the Interim Report will convey the positive impacts on local employment, the strength of the existing rail industry

in SCR, the supply of skilled labour and the contract opportunities for local businesses in supplying goods and services during the construction and operation of HS2.

- 5.3** SCR created a dedicated HS2 website and PR campaign called 'Ontrack4HS2' to communicate the benefits of HS2 and to ensure that businesses in particular were ready to take advantage of the opportunities. This campaign will not only continue, but will be expanded to engage more people. Part of this campaign activity will include briefing sessions, roadshows and street events with residents.

6. Appendices/Annexes

6.1 Appendix 1 – Funding Letter

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Background papers used in the preparation of this report are available for inspection at:
11 Broad Street West, Sheffield S1 2BQ

Other sources and references:

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Department for
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Gareth Bradford

*Deputy Director, Regeneration – Cities and Local
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To Dave Smith, Managing Director SCR;
cc Mark Lynam, Interim Director of Transport SCR

HS2 GROWTH STRATEGY FUNDING

As part of the Autumn Announcement 2016, the Government announced that we would start work with Sheffield City Region (SCR) on the development of HS2 Growth Strategies. Simon Ridley has already been in touch with you regarding this, and I wanted to follow up with more detail.

As Deputy Director responsible for HS2 local growth I am here to assist Sheffield City Region in making sure they are doing everything they can to maximise the huge opportunity available to unlock regeneration and growth within the wider area as a result of HS2 and the HS2 Growth Strategy funding.

We believe there are opportunities across a wide area as a result of the Sheffield option which is now being consulted on, HS2 trains stopping at Sheffield, Chesterfield, and potentially a Parkway station will provide the region with exceptional access to high speed services.

The attached guidance note provides advice to you on putting together an HS2 Growth Strategy. In particular it advises on the context and contents of HS2 Growth Strategies and how Government will work with you on preparing your Growth Strategy. It stresses the importance of governance in terms of developing your Growth Strategy and we stand ready to support Sheffield City Region Combined Authority in leading the work and establishing appropriate groups to manage the work.

It is important to stress that each HS2 place must own its Growth Strategy, but there is no prescribed format and therefore it may be appropriate for your Strategy to form an element of the Strategic Economic Plan revision which you are undertaking. However, it would be helpful if there is a clearly identified implementation plan for the Strategy.

I am aware that the East Midlands, as part of their Growth Strategy are already considering the opportunities around Chesterfield and Staveley Depot. It would be helpful if you could agree a way forward which ensures there is a single agreed Strategy covering the opportunities in the area which is of interest to both SCR and the East Midlands.

HS2 Ltd is currently consulting on the Government's preferred HS2 route in South Yorkshire

(serving Sheffield Midland), but we would like you to commence work on a Growth Strategy now that would benefit Sheffield City Region as a whole, and then complete it once a final decision on the route has been made. For this reason the Growth Strategy funding will be made available in two tranches, the first when we have agreed a work specification with you and the second when your implementation strategy has been agreed after the final route announcement in 2017.

To enable the first tranche of funding (£625,000) to be released this financial year we would like you to submit a work specification by the end of January 2017. You may wish to raise extra funding for the development of your strategies and we would support your ambition to do this. This first part of the work should include an interim report which should be submitted to us by July 2017. We would expect this interim report would concentrate on wider regional and sub-regional issues. Timing for the second part will need to be agreed following the final route announcement, but at this stage it would be helpful to work towards completion by December 2017. We would expect the second phase of work to also address station-site specific issues.

Nadeem Ahmed will be your key contact within my team and will lead Government support for you in developing your growth strategy, working across Whitehall including DfT and others. Nadeem will be in contact over the coming days to discuss next steps. His contact details are (nadeem.ahmed@communities.gsi.gov.uk & 0303 44 41440).

I look forward to working with you in the months ahead on this exciting agenda.

Many thanks and best wishes,

GARETH BRADFORD

A handwritten signature in black ink, appearing to read 'Gareth Bradford', written in a cursive style.

ANNEX: ADVICE TO SCR ON PREPARING HS2 GROWTH STRATEGIES

This note sets out our advice to places on the preparation of HS2 Growth Strategies and how the Cities and Local Growth Unit's Regeneration Team (RT) would like to support this activity. Part A provides the context and Part B provides advice on the content.

Part A: Context

The Strategic Goals of HS2:

The government's aim for HS2 is to build a stronger, more balanced economy that delivers lasting growth and shared prosperity.

To meet our vision, we have developed 7 strategic goals for HS2:

- HS2 will add capacity and connectivity as part of a 21st century integrated transport system
- HS2 will be a catalyst for sustained and balanced economic growth across the UK
- HS2 will deliver value to the UK tax payer and passenger
- HS2 will set new standards in passenger experience
- HS2 will create opportunities for skills and employment
- HS2 will create a railway designed, built and operated with world-class health, safety and security standards
- HS2 will create an environmentally sustainable solution and be a good neighbour to local communities

These are long term goals, shared by government, our delivery partners and local bodies. To get the most out of HS2, it's vital that Growth Strategies also support these goals.

HS2 Growth Strategies – the aims:

- A HS2 Growth Strategy (GS) is, first and foremost, a locally developed and owned plan. It should set out the vision of local partners to harness the transformational potential of HS2. It should bring together all the things that LAs, LEPs, and other local partners will do themselves. It should tell business and investors what the opportunities are and it should tell residents what's in it for them. The GS should cover an appropriate geographical area taking account of the potential connectivity to Sheffield Midland, Chesterfield, and a potential Parkway station. The GS must also be deliverable; finance, funding, and delivery mechanisms will be important considerations.
- The [HS2 Growth Taskforce report](#) and part B of this note provide some guidance on what a GS might cover but all places are different. The GS will need to build on local economic strengths and reflect any other opportunities which may be evident. The strength of the evidence base will vary between HS2 stations, but the LEP Strategic Economic Plan and its evidence base, as well as the local planning framework, form part of the context.

Changing context:

- Work with Phase One places was advanced as the devolution agenda (City, Growth and Devolution Deals, the Northern Powerhouse, Midlands Engine, and Sub-national Transport Bodies) matured. The delivery of future Strategies is expected to be closely linked to Devolution Deals. While we can learn from Phase One places, we need to consider this wider context.

Lessons from working with HS2 Phase One and Two places:

- **Focus** - clarity on the process and scope of the work from the outset is important in engaging partners and ensuring success – setting clear indicators for benefits and success
- **Methodology** - clarity on the methodology and parameters for assessing strategies is also key, in order to align local and central understanding and assessment processes
- **Context** - it is important to have a clear sense of the bigger picture, and longer term goals – a GS must articulate how the benefits of HS2 will be maximised but should also be linked to wider development plans, devolution and local growth deals
- **Co-commissioning** - it is helpful to co-design and co-commission the work to develop a GS, but this requires intensive effort and openness
- **Programme management** - clear programme management roles (within local partners) and devoted RT leads have been key to us building strong relationships – effective engagement requires sustained effort.
- **Critical friends** - Government and places must robustly challenge and support each other to produce the best possible Growth Strategies – and places must be able to challenge Government.

Working towards HS2 Growth Strategies in Phase Two places

Building on the experience with the Phase One and Two places, the RT will continue to work with LEPs, other local partners, CLOG Regional Managers, DfT High Speed Rail Group, HS2 Ltd, and other central Government Departments and Agencies to:

- a) Support the scoping and production of a locally owned GS, which will either be stand-alone or integrated into Strategic Economic Plans (to be decided between each place and the RT); and
- b) Support the development of an Implementation Plan. Wherever possible this will be about helping local areas root interventions in local activity. It will include the support of Government bodies including HS2 Growth Partnership (HS2GP), HCA, DIT and IPA. In some cases actions may need to be addressed through a Devolution/Growth Deal.

Proposals which deliver new or enhanced connectivity are likely to be crucial to the success of the GS where they provide links with potential regeneration/growth opportunities which will maximise the economic benefits expected from HS2. Network Rail, Highways England, relevant Sub-national Transport Bodies and other transport bodies will need to be involved at an early stage to ensure projects are feasible and fundable, either through existing funding streams or mechanisms to be developed to support the implementation of the GS.

To support these aims, the RT will;

- **Provide a named lead**– Nadeem Ahmed will be the key contact for your local project/programme manager. During the scoping stage of the GS Nadeem will work with the local team to determine the governance arrangements, key milestones, benefits and outcomes, and the timescales for inputs from Government.
- **Identify where Government expertise in policy, economics, appraisal, and finance can support local development of the Strategy.** This will include the expertise and support of other Government bodies including HS2GP, HCA, and

DIT. It will also include advice on which appraisal methodology should be applied to different options.

- **Help develop a plan** which identifies when these limited resources will be sought, what the key milestones will be, and when decisions might need to be taken.
- **Lead the HS2 Places Group** – using the forum to bring together HS2 Places and HS2 Ltd, with Government, to share information/developments, review work plans, identify and monitor benefits realisation plans, and identify issues for escalation.
- **Attend/participate in local programme boards and working groups.** Participation from Government, HS2 Ltd and Agencies will help ensure alignment and effective decision making. As part of local governance proposals Government representation on Boards should be considered.

Sheffield City Region Combined Authority (SCR CA) intends to refresh the Strategic Economic Plan (SEP) for the region. As the opportunities arising from HS2 will provide a key part of the SEP and the timescales are aligned it is appropriate for the GS to form an element of the SEP.

Part B: Content

Vision

It is important to establish the context for the strategy. There are two key elements to this:

- Regional planning and economic development strategies, and
- The plans for HS2 and what HS2 Ltd will deliver without additional regional interventions (DfT will ensure HS2 Ltd provides the HS2 baseline).

The strategy will outline a vision of how additional local interventions can build on the existing plans and maximise the benefits of HS2 for the local area. It will be important to determine at an early stage the geographic area over which it is realistic to seek these benefits and to identify the relevant partners who will need to be engaged in order to achieve benefits, particularly where an overlap exists between place Growth Strategies. For example in Chesterfield, which both the East Midlands GS and Sheffield GS will cover. HS2 Ltd will be conducting a feasibility study into a possible parkway station in South Yorkshire that could serve towns outside of Sheffield in parallel with the first part of the work on the Growth Strategy so it will be necessary to make some working assumptions to cover the potential benefits of a Parkway station.

Regeneration and Connectivity

The regeneration and connectivity plan for each location will provide an evidenced assessment of the development and regeneration potential of the area around the stations and the wider area. Atkins identified in their March 2014 report, [Maximising Growth and Regeneration Benefits from HS2](#), that LEPs and local authorities had not yet identified exactly what local infrastructure is needed to maximise growth around HS2 stations. Establishing a clear understanding of what is needed, the timing involved, the scale of benefits realisation and risks, constraints and dependencies involved is a key step in the GS. The development of these proposals will then inform the establishment of the delivery body and design of the funding mechanisms.

Issues which the LEP/CA may wish to address include:

- Defining the potential economic, social and transport benefits from potential local interventions – measures are likely to include land value uplift, productivity, GVA, housing, and jobs;
- Assessing options for the locally-led interventions – determining appropriate costs, including acquisition, construction, operation, and contingencies as appropriate;
- Prioritisation of options, demonstrating the most appropriate solutions have been selected and that there is a deliverability rationale;
- Determining the optimum phasing of interventions, especially where there are interactions with HS2 infrastructure;
- Clear land use and mobility masterplans which outline the spatial context of the interventions and the relationships with HS2 infrastructure;
- Defining clear delivery plans which include funding and financing and risks, partnership agreements, procurement and commercialisation strategies, and models for the local delivery body and;
- Independent review of the viability of the proposals.

Governance and local delivery body

To manage the delivery of the local interventions areas should identify (or if necessary establish) a local delivery body and put in place appropriate governance arrangements.

The strategy is likely to include well developed governance arrangements that should:

- Propose a fit for purpose governance and delivery model (including a diagram showing relationships) – providing place-based leadership and supporting decision making across local and national organisations, considering the need for powers and the accountability for their use.
- Define the scope and objectives of a local delivery body, identifying the working relationships with key stakeholder and partners (including the central body). However, where a suitable body already exists this may not be necessary. identify what powers and capability the body would need in order to deliver on its plans (e.g. land value capture, plan-making, planning approvals, CPO, financing),
- Outline a business plan for a local delivery body which sets out clear governance arrangements, with an Executive to facilitate working liaison with HS2 Ltd and the central regeneration body. Include appropriate detail and estimated operating costs for the functions of the body, and
- Set out a risk transfer/sharing approach – this is a critical part of the case for new funding mechanisms and needs to be proportionate and consistent with local risk bearing capacity.

Funding and Finance mechanisms

The Government remains committed to delivering HS2 within the existing budget but does not expect to be able to extend the scope of the programme further within the agreed funding envelope.

There is no ring-fenced Government funding source for implementation of a GS. The GS will need to identify the appropriate funding mechanisms for the proposed interventions, looking beyond conventional planning to consider unconventional funding options that reflect the identified benefits. The funding and finance plan should also include an outline of the funding options:

- Provide a baseline from which to assess growth potential and assess the local funding context and local, national and private sector opportunities - a key measure of strategies will be the potential for third party finance, joint ventures, private sector-

led development, as well as the potential to make use of existing local public funding mechanisms such as TIF, developer contributions (like CIL), fare box revenues, opportunities for innovative funding mechanisms, local public sector funding sources such as Council Tax (and levies on Council Tax), rents and land disposals, grant funding from Government, use of existing central government funding sources (e.g. Local Growth Fund) and the conditions necessary for local funding commitments to be delivered,

- Align policy, economics and funding and draw together both national and local priorities - clear treatment of additionality and displacement, alignment of funding sources to beneficiaries of infrastructure, the need for up-front funding, measures to avoid market distortion, risk transfer and sharing, and options for local land-value capture, and;
- The plan should be realistic about funding availability and include a phasing plan to reflect the optimisation of the benefits and use of funds.

Key parameters to consider in preparing a GS

Each GS will need to be visionary yet technically robust. To support this, advice will be available from Government analysts on technical issues, including the completion of Green Book compliant appraisals. Some of the parameters which will be important are:

- **The counterfactual** – an HS2 station is likely to provide benefits irrespective of any additional measures considered beneficial by local partners. It is essential that this is clearly identified at the outset as the basis for judging the value of the proposed GS interventions.
- **Scenarios** – A GS needs to be clear on the proposed interventions, but alternative scenarios will need to be considered. This will ensure all partners have the opportunity to review the impacts, the value for money, and the rationale behind the preferred scenario.
- **Economic case** – a cross Government team has concluded that the current best approach to estimating the economic benefits of non-transport interventions is generally by measuring land value uplift. RT will be able to provide advice on how to complete this assessment and will discuss with local partners the latest guidance on evaluating non transport interventions.
- **Financial case** – it will be essential to identify the sources of financing for any interventions, with further Government support being considered only as a last resort and where there is a very compelling case.
- **Investment** – investor appetite is likely to be an important aspect of deliverability. Proposals need to be developed and ‘investor tested’ if possible. Development values could also be a useful indicator of the value of a GS.
- **Borrowing** – costs need to be considered as part of the overall financing package.
- **Housing and jobs** – these are key outputs which are important in monitoring delivery of the GS.
- **Social impacts** – where relevant it will be important to capture and where possible quantify wider impacts.
- **Success measures** – both short term and longer-term will help to sell the GS to partners and ensure on-going demonstration of delivery. HS2 Ltd led work on benefits realisation will support the identification of key indicators.

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TRANSPORT EXECUTIVE BOARD

24th August 2017

MIDLAND MAINLINE AND EAST MIDLANDS RAIL FRANCHISE UPDATE

Purpose of Report

This report updates TEB members on issues concerning the Midland Mainline including the electrification scheme, Market Harborough line speed scheme, and the re-tendering of the East Midlands rail franchise.

Thematic Priority

Secure investment in infrastructure where it will do most to support growth.

Freedom of Information

Not exempt

Recommendations

TEB is recommended to:

1. Note the letter (see Appendix A) sent to the Secretary of State for Transport expressing disappointment at the Government's decision to abandon phase 2 of the Midland Mainline electrification project to Sheffield, and agree that SCR should continue to lobby for full electrification as part of the wider package of MML upgrades.
2. Agree that SCR prepares a response to the East Midlands rail franchise consultation based on the aspirations set out in Appendix B, and delegate authority to the Head of Paid Service, in consultation with the Chair of TEB, to sign off the final response for submission before the deadline.

1. Introduction

- 1.1 A report was prepared for the TEB meeting on 29 June 2017 updating TEB on the upgrade of the Midland Mainline and the re-tendering of the East Midlands Rail Franchise. This report provides a further update on developments since that date.

- 1.2 The Midland Mainline is the main rail line serving the western part of the City Region, connecting Sheffield and Chesterfield with London via Derby and Leicester. It is therefore a key piece of infrastructure for the City Region's economy and connectivity.
- 1.3 The Government launched the long-awaited consultation on the re-tendering of the East Midlands Rail Franchise on 20th July, and also made an announcement that phase 2 of the electrification of the Midland Mainline from Kettering to Sheffield would not be progressed.

2. Midland Mainline Upgrade

- 2.1 Network Rail is implementing a programme of upgrades to the Midland Mainline (MML), including electrification and line speed improvements, in order to deliver benefits for rail passengers. Electrification was to be a key element in the improvement and modernisation of the line, enabling the introduction of modern electric trains offering quieter, smoother and cleaner journeys with considerable environmental and operational cost benefits.
- 2.2 On 20th July the Government launched the long-awaited consultation document on the re-tendering of the East Midlands Rail Franchise, which is described in more detail below. As part of this announcement, the Government stated that it no longer intends to electrify the MML between Kettering and Sheffield and Nottingham (phase 2). Phase 1 of the electrification from Bedford to Kettering and Corby is still going ahead and is scheduled to be completed by 2019. This will mean that only the southern half of the MML will be electrified, while north of Kettering it will remain diesel-operated.
- 2.3 As part of the announcement on the 20th July, the Government set out its intention to order a new fleet of bi-mode trains for the MML, to be introduced from 2022. These bi-mode trains will be capable of operating on electric or diesel power, enabling them to run on both the electrified and non-electrified sections of the MML. The Government argues that these new trains will deliver more seats and comfort for passengers without the disruption and visual intrusion of installing overhead gantries and wires.
- 2.4 A number of upgrade schemes on the MML will deliver journey time improvements for trains serving Chesterfield and Sheffield, irrespective of electrification. These include a line straightening scheme at Market Harborough in Leicestershire, to which SCR LEP is contributing £5m from its Local Growth Fund, along with Leicester and Leicestershire LEP and Derbyshire and Nottinghamshire LEP. This scheme is predicted to deliver a 30 second journey time saving between Sheffield and London. A funding agreement for this project has recently been signed by all three LEPs and this scheme will commence shortly.
- 2.5 A major re-configuration and re-signalling scheme at Derby station that will reduce delays and conflict between MML and Cross Country trains is scheduled for summer 2018. Further upgrade schemes are also planned around Leicester station and between Derby and Sheffield that, along with the aforementioned schemes, will contribute to a predicted 4-minute journey time saving between Sheffield and London.
- 2.6 It has been estimated by Network Rail that electrification of the MML to Sheffield would only deliver a further minute journey time saving to/from London, over and above these upgrade schemes. However, electrification would deliver additional benefits (based on using pure electric trains), as set out in a report produced by Aecom consultants for SCR in February 2016, including:
 - Up to 24% lower operating costs (£30m per annum)
 - A 41-61% improvement in rolling stock reliability
 - Up to 55% reduction in CO2 emissions
 - Quieter, smoother and less polluting trains and improved air quality

- 2.7** A dis-benefit of bi-mode trains is that they are heavier as they carry diesel fuel and electric power equipment, affecting speed and acceleration. However, an advantage is that they are more resilient at times of disruption to over-head power cables as they can switch to diesel.
- 2.8** SCR, along with East Midlands Councils, had previously expressed concern at the delay and lack of a firm commitment to phase 2 of the MML electrification, and wrote to the Secretary of State in October 2016, with a follow up letter to the Rail Minister in February 2017, seeking a meeting to discuss the matter. In a letter to SCR on 20th July regarding the announcement, the Rail Minister he reiterated his willingness to meet, and a meeting is being arranged. SCR has also sent a further letter to the Secretary of State on 9th August 2017 setting out its disappointment at the Government's decision, attached as Appendix A.
- 2.9** Irrespective of the Government's decision not to proceed with phase 2 of the MML electrification, it is anticipated that the part of the Erewash Valley line and MML to be used by HS2 trains to serve Sheffield Midland station would need to be electrified, so that HS2 can use pure electric rather than bi-mode trains. The Department for Transport (DfT) have confirmed that this is the case, along with electrification of the Dearne Valley line north from Sheffield to the Clayton Junction on the main HS2 line.

3. East Midlands Rail Franchise

- 3.1** As stated above, the Government launched the long-awaited consultation on the specification for the next East Midlands rail franchise on 20th July, with the publication of a consultation document. The Government's goals for the next East Midlands franchise are to improve journeys for passengers, drive economic growth and support investment across the region.
- 3.2** The consultation is seeking stakeholders' views on proposals to increase capacity where there is over-crowding, provide new train services on routes where connectivity is poor to support economic regeneration, the potential transfer of services between operators, on-board and station facilities, accessibility, information, staffing, fares and ticketing, and partnership working.
- 3.3** The consultation runs for 12 weeks until 11th October, and SCR will be preparing a response. The consultation response will help inform the franchise specification for inclusion in the Invitation to Tender issued to prospective bidders in April 2018. The new franchise is scheduled to start in August 2019, and hence the current operator, East Midlands Trains, has been given a further franchise extension until that date.
- 3.4** The SCR response, which will be developed in consultation with partner authorities and SYPTE, will be based on the aspirations set out in Appendix B, developed in 2016 as part of discussions with prospective bidders. Key issues for SCR are maintaining and improving the existing Sheffield to London services and the Liverpool to Norwich service, improving local services and stations, and improving the fares and ticketing offer.
- 3.5** A DfT consultation event on the new franchise is being held in Sheffield Town Hall from 11am-1pm on 27th September. The consultation document is available on the DfT website at <https://www.gov.uk/government/consultations/future-of-east-midlands-rail-franchise>.

4. Proposal and justification

- 4.1** It is proposed that SCR TEB continue to express disappointment at the Government's decision not to process with phase 2 of the MML electrification between Kettering and Sheffield, on the basis that the considerable benefits of electrification over and above journey time savings will not now be realised, particularly environmental and operational cost benefits.

- 4.2** It is proposed that officers prepare an SCR response to the East Midlands rail franchise consultation in line with the aspirations set out in Appendix B, and in consultation with SCR local authority officers through the SCR Rail Forum, and taking on board the views of other local stakeholders. A draft response will be circulated to partners in early September. The response will be signed off by delegated authority and submitted by the October 11th deadline.

5. Consideration of alternative approaches

- 5.1** The announcement of the Government's intention to order a fleet of new bi-mode trains for the MML leaves open the possibility of completing MML electrification at a future date, particularly as part of it will need to be electrified for HS2₁ prior to 2033.
- 5.2** Accepting the Government's decision on electrification without raising any objections would imply that SCR is content to lose out on investment and modernisation of the MML, the only north-south UK mainline not fully electrified.

6. Implications

6.1 Financial

There are no direct financial implications arising from this report.

SCR LEP is contributing £5m towards the Market Harborough line speed improvement scheme. Network Rail is investing around £85m in the Midland Mainline upgrade programme excluding electrification. Full electrification of the Midland Mainline was costed at £1.6bn, and would have saved £30m a year in operating costs. Therefore, it is estimated that over a standard 60-year appraisal period the scheme would have paid for itself.

6.2 Legal

There are no legal implications arising from this report.

6.3 Risk Management

There are risks to SCR and the objectives of the SEP if improvements to the Midland Mainline and East Midlands Trains services are not secured. Therefore, it is important that SCR continues to engage with these processes and pushes for improvements.

6.4 Equality, Diversity and Social Inclusion

The existing High Speed Trains (HSTs) operated by East Midlands Trains, largely on the Nottingham route, will not comply with disability access requirements which are due to be met by 2020. These trains therefore need adapting or replacing before that date. New bi-mode trains to be ordered for the MML will be fully accessible to the disabled and those with other access requirements, including visual impairments, the elderly and those with young children. Passenger information will be available in a number of accessible formats.

7. Communications

- 7.1** SCR Communications Team will ensure that positive messages and lobbying takes place around key issues concerning the MML and the East Midlands Trains franchise.

8. Appendices/Annexes

8.1 A – copy of letter sent to Secretary of State for Transport in August 2017

B – SCR draft aspirations for the new East Midlands rail franchise.

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Background papers used in the preparation of this report are available for inspection at: 11 Broad Street West, Sheffield S1 2BQ

Other sources and references:

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Sheffield City Region Executive
11 Broad Street West
Sheffield. S1 2BQ

Wednesday, 09 August 2017

Sent by email to: chris.grayling.mp@parliament.uk
Rt. Hon Chris Grayling MP, Secretary of State for Transport

Dear Secretary of State for Transport,

We are writing to you on behalf of the business, public sector and rail passenger communities in Sheffield City Region to express our disappointment and frustration at your Government's decision to discontinue planned work to electrify the Midland Mainline between Kettering and Sheffield.

As you know, plans to improve travel for rail passengers by electrifying the Midland Mainline have suffered a succession of set-backs as the project was paused and restarted following Government concerns over the struggling performance of Network Rail. You will be aware of the details and background to this matter from the correspondence we have exchanged over recent months.

We believe that residents and businesses in Sheffield City Region have been let down because of Network Rail's continued inability to deliver key projects on time and budget. The result of this ongoing failure is that the City Region will no-longer be getting the benefits of electrification (cleaner, quieter trains and reduced air pollution) that have long been promised. Instead our residents will have to endure travel on board diesel trains for the foreseeable future.

In addition to the comfort and health implications for rail passengers and residents in our area, we are equally concerned that your Government's decision to spend billions of pounds on London transport, whilst not investing in electrification of rail in the North as previously promised, is undermining business confidence in the Northern Powerhouse.

We look forward to hearing from you about this important issue.

Yours Sincerely,



Sir Nigel Knowles
Chair, Sheffield City Region
Local Enterprise Partnership



Councillor Tricia Gilby
Vice Chair, Sheffield City Region
Combined Authority

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APPENDIX B

DRAFT Sheffield City Region Aspirations for the new East Midlands Rail Franchise

Sheffield City Region covers the four South Yorkshire local authorities of Sheffield, Barnsley, Doncaster and Rotherham, together with Bassetlaw in North Nottinghamshire and Bolsover, Chesterfield, Derbyshire Dales and North East Derbyshire districts.

This document sets out the Sheffield City Region's high level aspirations for the new East Midlands rail franchise. The Sheffield City Region (SCR) Transport Strategy sets out the region's wider transport policy context. The Strategy's primary goal is for the transport system to support the economic growth of SCR, which is attracting substantial new investment and business relocation. Sheffield City Centre in particular is set for major regeneration and development, including several sites close to the station. In addition, the advanced manufacturing sector is growing, with the development of the Advanced Manufacturing Park between Sheffield and Rotherham.

The higher education sector is particularly strong in Sheffield, with two large universities attracting considerable numbers of students. Sheffield Hallam University is the 6th largest university in the UK in terms of student numbers, with over 30,000 students and 5,000 staff, and continues to expand. Sheffield University has around 27,000 students including 8,000 postgraduates. This sector therefore generates strong demand for longer distance rail travel.

The East Midlands (EM) franchise plays a significant role within the Sheffield City Region, incorporating the Midland Mainline inter-city services to London, together with a number of key inter-regional and local services in the region. As well as linking Sheffield to London, the Midland Mainline (MML) also provides a key link between Sheffield and the East Midlands, including Chesterfield, Derby and Leicester.

The inter-regional service between Liverpool and Norwich links Sheffield to the key regional cities of Liverpool, Manchester and Nottingham, as well as intermediate towns such as Stockport and Warrington.

There is also a limited East Midlands Trains service linking Lincoln and Doncaster (from Peterborough or Sleaford) which provides the fastest journey time between those two important regional towns. Two local EM routes, the Robin Hood Line and the Derwent Valley Line, provide key links between Nottingham and Worksop and Matlock respectively, both within the SCR.

The EM franchise also has a significant interface with other franchises within the SCR, including Northern, TransPennine Express and Cross Country.

In addition, the EM franchise plays an important role in providing station facilities, as the operator of Sheffield and Chesterfield inter-city Stations, as well as local stations on the Robin Hood and Derwent Valley Lines.

SCR welcomes the progress that the current EM franchise operator has made in enhancing its services and stations, including several significant improvements that were delivered and funded through joint working with SCR and local partners. This included the funding of the extra hourly semi-fast train between Sheffield and London. The progress on achieving faster journeys to London and greater reliability across the network is also very welcome.

It is important that the new franchise operator continues to improve frequency, connectivity, capacity and the overall passenger experience.

The following summarises SCR's key aspirations for the new EM franchise:

Inter-City (Sheffield to London) Services

- Provision of two fast trains per hour between Sheffield and London, each with the same journey time rather than the current fast/semi-fast pattern. All London trains should call at Chesterfield. The aim should be for sub-2 hour journeys for all trains pre-electrification, and for significantly faster trains than at present in the morning peak towards London so that current off-peak journey times apply all day.
- Ensuring that the two London trains are evenly spaced at 30 minute intervals, to provide a regular and convenient service offer to passengers.
- If the current 'semi-fast' service is converted to 'fast', ensuring good connections are provided between inter-city, inter-regional and local services at key interchanges such as Derby and Leicester, and that connections and through fares from local services at Sheffield are maintained.
- Later weekday and Saturday evening services from Sheffield to London. Currently the last 'fast' service leaves Sheffield at 19:29 (which is the last direct service on Saturdays), and the last 'semi-fast' service at 20:49. SCR would like to see a later southbound departure to London leaving Sheffield around 21:30.
- A later Saturday evening train from London to Sheffield. Currently the last train leaves London at 20:57, which is too early for people visiting London for an evening out. SCR would like to see a later train to Sheffield leaving London around 22:00.
- Earlier northbound London to Sheffield trains on Sundays. Currently the first train leaves London at 09:30 and calls at all main stations, arriving in Sheffield at 12:23. SCR would like to see an earlier northbound departure around 08:30, arriving into Sheffield before 11:00. There is only an hourly stopping service for most of the day on Sundays, enhanced by a number of fast services in the evening. This presumably reflects the fact that the main passenger demand is later in the day. Nevertheless, SCR would like to see the introduction of an hourly all-day fast service to meet growing demand for Sunday travel.
- Consideration of the case for extending some peak London services to points beyond Sheffield, particularly Barnsley and Rotherham.
- Ensuring that a robust timetable is provided during the MML electrification work, maintaining current frequencies and journey times as far as possible, and planning effectively for the inevitable line closures in a way that puts passengers' interests first.
- Ensuring that new electric-compatible inter-city rolling stock is procured in sufficient time to be available for the completion of the MML electrification to Sheffield in 2023 and that it is able to take full advantage of electrification in terms of improved journey times. New rolling stock should be configured so as to maximise capacity and comfort, both in terms of train length and internal layout, with sufficient standard class and

luggage / cycle space, catering facilities and free wi-fi.

Inter-Regional (Liverpool – Norwich) Services

- Maintaining the current hourly Liverpool-Norwich service via Sheffield in a form that retains the key links to /from Nottingham and Manchester that this service provides. Ensuring that the timetable for this service is co-ordinated with the TransPennine Express hourly fast service between Sheffield and Manchester to provide an evenly-spaced and consistent quality of service, with similar journey time and fare offers. This includes providing an evenly spaced timetable (currently the interval is not half-hourly in the eastbound direction).
- SCR's short term aspiration is for at least three fast Sheffield–Manchester trains taking no more than 40 minutes with evenly spaced departures, in addition to an hourly stopping service on the Hope Valley Line, as soon as the Northern Hub infrastructure is in place to allow this. SCR does not support the introduction of new services between the East Midlands and Manchester via the Dore South Curve (avoiding Sheffield) unless the aspirations set out above are fully met.
- The Liverpool-Norwich service Sheffield uses 25-year old trains which, whilst they have been refurbished, will require replacement in due course. The operation of 4-car trains between Liverpool and Nottingham is a very welcome development, providing much needed capacity on this busy route. Additional capacity on this route may be required during the life of the franchise and should be planned for.
- Short term measures to reduce journey times on this service should be pursued with Network Rail, particularly between Sheffield and Manchester, as this service provides one of the two 'fast' trains per hour on this section, but takes longer than the TransPennine Express service. Sheffield–Nottingham journey times are also uncompetitive with road at present and should be improved if possible.

Local Services

- Dore and Totley station has the potential to be an important gateway station serving the South West Sheffield and parts of North Derbyshire. Some feasibility work has recently been done to look at the case for reinstatement of the platforms on the MML, in addition to the planned double-tracking on the Hope Valley Line, and work is being done on the case for additional car parking. Consideration should therefore be given to stopping additional EM Liverpool-Norwich trains there, particularly at peak times.
- Dronfield station has been a success story since regular passenger services were reintroduced in 2008, with patronage increasing from 35,000 passengers per annum (ppa) in 2008/09 to 186,000 ppa in 2014/15 (ORR figures). SCR therefore considers that additional trains should call at Dronfield. Most of these additional trains are likely to be provided by the Northern franchise. However, consideration should be given to stopping more East Midlands trains there. In particular, the current EMT 21:37 Liverpool–Nottingham (23:37 ex Sheffield) train could call at Dronfield to provide a later service that better serves the evening economy of the Sheffield City Region.
- The Derwent Valley Line service to Matlock has been improved considerably under the current franchise and the service has consequently seen a substantial increase in patronage. SCR would expect to see this level of service maintained and, where

possible, enhanced. This could include later evening trains, additional trains on Sundays and the introduction of additional peak trains. Opportunities to improve journey times on this line should also be pursued and convenient connections to / from London trains at Derby provided.

- The Robin Hood Line has been a great success since it reopened in the 1990s. This line currently has an hourly service to Worksop and an hourly service to Mansfield Woodhouse. Consideration should be given to extending the hourly Mansfield Woodhouse train to Worksop to provide a half-hourly frequency along the whole line. This would complement the doubling of the frequency on the Sheffield-Retford service from December 2018. Connections between the two lines at Worksop are currently very poor, with in most cases a wait of at least 30 minutes in both directions. Connection times at Worksop should therefore be improved to make rail journeys between North Nottinghamshire and Sheffield more competitive with the car.

Stations and On-train Facilities

- Sheffield Station is the city's 'front door' and the first impression for many visitors and potential investors so it is important that it creates a positive impression of the city. Whilst there has been considerable investment in the station under the current franchise, the opportunity for further improvements should be pursued.
- Free wi-fi throughout the train should be provided on all EM London services and inter-urban routes, along with other passenger benefits including improved on-train toilets and catering. The existing free wi-fi provision at stations also needs to be improved to ensure reliable coverage.
- More flexible and competitive fares and ticketing should be considered to fill empty seats at less busy times, and encourage more off-peak usage. Operators need to get the right balance between cheaper advanced fares and walk-up fares. Not uncommon for walk-up fares to be very expensive yet many seats remain empty at less busy times, including the 'shoulder peak'. The right balance between standard and first class should also be struck to ensure efficient use of available capacity.
- Smart ticketing, integrated with local products, should be rolled out across the franchise by the next operator. EM currently operates a smartcard scheme and there are card readers at Sheffield station, however these appear to see very limited use. There may be scope to better integrate with the roll-out of smart ticketing on other forms of public transport in the Sheffield City Region.
- Introduction of more attractive off-peak car parking offers to encourage park-and-ride, such as cheaper evening and weekend tickets, as well as improvements to station access by non-car modes.